

Friday, June 9, 2000
For release at 8:30 a.m.

## MAJOR RELEASES

- Labour force survey, May 2000

After a slight pause in April, the upward trend in employment resumed in May with an estimated increase of 42,000 jobs. The unemployment rate fell 0.2 percentage points to $6.6 \%$, the lowest since March 1976.

- Quarterly financial statistics for enterprises, first quarter 2000

Canadian corporations continued to reap the benefits of the economic expansion of the past year and a half. Operating profits surged to a record $\$ 53.3$ billion in the first quarter, up $12.3 \%$ from the fourth quarter of 1999.

OTHER RELEASES
New Housing Price Index, April 2000

Railway carloadings, seven-day period ending May 14, $2000 \quad 10$
Steel pipe and tubing, April 2000
Inter-corporate ownership, $2000 \quad 11$
PUBLICATIONS RELEASED 12

RELEASE DATES: June 12 to June $16 \quad 14$

The Daily, June 9, 2000

- End of release


## MAJOR RELEASES

## Labour force survey

May 2000
After a slight pause in April, the upward trend in employment resumed in May with an estimated increase of 42,000 jobs. This brought gains from May 1999 to May 2000 to 413,000 ( $+2.8 \%$ ). May's employment rise pushed the unemployment rate down 0.2 percentage points to $6.6 \%$, the lowest since March 1976.


## Full-time job gains

Full-time employment increased by an estimated 38,000 in May, more than offsetting the decline of 29,000 in April. Part-time employment was little changed.

From May 1999 to May 2000, full-time employment advanced $3.1 \%(+369,000)$ while part-time employment increased at a slower pace of $1.7 \%(+44,000)$.

Total hours worked were little changed in May from April, but were up $2.8 \%$ compared with May 1999, reflecting strong growth in full-time employment over the period.

The overall employment increase was concentrated among adult men aged 25 and over and youths (those 15 to 24). For adult men, employment increased by 20,000 , as full-time employment bounced back $(+31,000)$ from the decline in April. This continued

## Note to readers

The Labour Force Survey (LFS) has undergone extensive revisions to reflect two important changes to the way in which labour market data are produced. As a result, all LFS estimates have been revised back to January 1976. For more information on these revisions, please see "Improvements in 2000 to the LFS" at Statistics Canada's Web site (www.statcan.ca).

The new revised data, which are now available on CANSIM, must be used to make historical comparisons of LFS estimates. Before obtaining any data from CANSIM, please read the "Revised Historical Labour Force Survey Data" communiqué at www.statcan.ca.

To harmonize with other Statistics Canada data sources, the LFS recently introduced a new definition of the public and private sectors. As a result, the estimates of public employment that are not seasonally adjusted are somewhat underestimated prior to May 1999. To better reflect real changes in public and private sector employment and to avoid a break in the series, the historical seasonally adjusted series have been modified. In addition, the annual averages available on CANSIM have been calculated using the "modified" seasonally adjusted data instead of the unadjusted data.

Harmonization with Census occupation concepts from January to June 1999 has affected the comparability of LFS occupation data through time. The management group was most affected; a portion of those formerly classified as managers are now most likely classified in business, finance and administrative, or sales and service occupations.
the upward employment trend, and brought total gains among adult men to $158,000(+2.4 \%)$ between May 1999 and May 2000. Almost all of the increase over this period was in full-time jobs. The unemployment rate among adult men edged down in May from April to $5.5 \%$ (-0.1 percentage points).

Although employment among adult women was up only slightly ( $+10,000$ ) from April, job gains compared with May 1999 totalled $163,000(+2.9 \%)$, mostly in full-time. Adult women's unemployment rate fell from April to May by 0.2 percentage points to $5.4 \%$.

For youths, employment rose by 13,000 , mostly full-time. This continued the improvement in labour market conditions among youths that began more than two years ago, and brings their job gains since May 1999 to $91,000(+4.2 \%)$. The increase over this period was concentrated in full-time jobs ( $+68,000$ ). From April to May, the youth unemployment rate fell to $12.5 \%$ ( -0.4 percentage points).

## Employment



## Summer job market starts on positive note

From May to August, the Labour Force Survey identifies young people aged 15 to 24 who were attending school full-time in March and intend to return to school in the fall. Survey results for May give an early indication of the summer job market for older students aged 20 to 24 while many students aged 15 to 19 are not yet out of school for the summer. Survey results for June, July and August will provide further insight into the summer job market. The published estimates are not seasonally adjusted, therefore comparisons can only be made on a year-over-year basis.

Fifty-eight percent of students aged 20 to 24 had jobs in May, up 1.6 percentage points from May 1999. Most of the job gains were in full-time employment. This May, 50.6 \% of employed students aged 20 to 24 were working full-time, compared with $45.7 \%$ in May 1999. The unemployment rate among this group of students was $15.7 \%$, a slight decline of 1.4 percentage points from May 1999.

## Employment gains in the private sector

In May, all of the employment gain was in the private sector, where the estimated number of employees increased by 32,000 and the number of self-employed rose by 30,000 . Job gains among private sector employees are up $4.2 \%$ from May 1999, continuing an upward trend that began about three years ago.

The increase in the number of self-employed partially offsets the large decline in April, and returned employment in this group to about the same level as in November 1999. (April's large decline coincided with the inclusion in April of a supplementary survey on self-employment, which may have contributed to the magnitude of the decline.)

The number of public sector employees fell by an estimated 21,000 in May, mostly owing to a decline in public administration.

## Industry focus

Employment in the service-producing sector grew by 28,000 in May, and in the goods-producing sector by an estimated 14,000.

Employment rose in information, culture and recreation $(+22,000)$ following little change in the previous 11 months.

In professional, scientific and technical services, employment rose by 19,000 . Despite declines early this year, job gains compared with May 1999 totalled 39,000 ( $+4.3 \%$ ).

Employment also increased by 19,000 in health care and social assistance. Recent strength brought gains in this industry to $110,000(+7.7 \%)$ since May 1999, about one-quarter of the overall increase during that 12-month period.

Employment also rose in trade ( $+14,000$ ) in May, continuing the upward trend that began in early 1998.

In public administration, the usual job gains that occur in May did not take place, leaving seasonally adjusted employment down 25,000 from April. In the previous 11 months, employment in this industry was little changed.

Employment also fell in educational services $(-16,000)$ in May. Recent weakness left employment in this industry down 12,000 from May 1999.

In the goods-producing sector, employment rose by 6,000 in natural resource industries. Since August 1999, when employment in natural resource industries began to improve, gains in this industry have totalled 34,000 (+13.0\%).

Employment in manufacturing edged up 7,000 in May, continuing the upward trend of the last three years. Since May 1999, employment increased by $91,000(+4.1 \%)$; the largest gains were in in wood products, metal products, motor vehicle and parts manufacturing, and computer and electronic products.

## Job gains in Quebec and British Columbia

Employment rose by 17,000 in Quebec, mainly among youths 15 to 24 . This increase brought overall job gains since May 1999 to 110,000 ( $+3.3 \%$ ). Most of the gains occurred in the second half of 1999. The largest increases in May were in information, culture and recreation $(+8,000)$, trade $(+6,000)$ and transportation and warehousing $(+6,000)$. The unemployment rate in May fell by 0.3 percentage points to $8.5 \%$.

In British Columbia, employment increased by 16,000 . This brought gains since last October, when the
labour market in this province began to strengthen, to 49,000 (+2.6\%). Job gains in May were mostly among men aged 25 and over and among youths. The largest increases were in accommodation and food services $(+9,000)$, information, culture and recreation $(+5,000)$, and natural resource industries $(+3,000)$. Despite the job growth in May, the unemployment rate edged down only 0.1 percentage point to $6.8 \%$, owing to an increase in labour force participation.

In Alberta, employment increased slightly (+8,000), mostly among men aged 25 and over. Job gains since May 1999 totalled 46,000 (+3.0\%). The unemployment rate fell by 0.4 percentage points in May to $4.7 \%$, the lowest since December 1981.

Although employment in May was little changed in Ontario, gains since May 1999 totalled 156,000 (+2.7\%). Manufacturing and construction, as well as certain service-producing industries, contributed to the employment growth over this period.

Employment changed little in the other provinces in May.

Available on CANSIM: matrices 3450-3471, 3483-3492, and 3503 and table 00799999.

Available at 7 a.m. on Statistics Canada's Web site (www.statcan.ca) on the Daily news page.

A more detailed summary, Labour force information (71-001-PPB, \$11/\$103; 71-001-PIB, \$8/\$78), for the week ending May 20, 2000 is now available. The electronic version can be downloaded from Statistics Canada's Web site (www.statcan.ca). From the Products and services page, choose Downloadable publications(\$), then Labour.

The next release of the Labour Force Survey will be on Friday, July 7.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Geoff Bowlby (613-951-3325) or Vincent Ferrao (613-951-4750), Labour Statistics Division.

Labour force characteristics for both sexes, aged 15 and over

|  | $\begin{aligned} & \text { April } \\ & 2000 \end{aligned}$ | $\begin{gathered} \text { May } \\ 2000 \end{gathered}$ | April to May 2000 | $\begin{aligned} & \text { April } \\ & 2000 \end{aligned}$ | $\begin{array}{r} \text { May } \\ 2000 \end{array}$ | $\begin{array}{r} \text { April } \\ \text { to } \\ \text { May } \\ 2000 \\ \hline \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| seasonally adjusted |  |  |  |  |  |  |
|  | Labour force |  |  | Participation rate |  |  |
|  | '000 |  | \% change | \% |  | change |
| Canada | 15,941.9 | 15,961.5 | 0.1 | 65.8 | 65.8 | 0.0 |
| Newfoundland | 247.6 | 247.0 | -0.2 | 56.3 | 56.1 | -0.2 |
| Prince Edward Island | 74.3 | 73.3 | -1.3 | 68.1 | 67.1 | -1.0 |
| Nova Scotia | 462.0 | 457.7 | -0.9 | 61.9 | 61.3 | -0.6 |
| New Brunswick | 372.2 | 369.2 | -0.8 | 61.7 | 61.2 | -0.5 |
| Quebec | 3,765.1 | 3,775.0 | 0.3 | 63.5 | 63.7 | 0.2 |
| Ontario | 6,173.1 | 6,176.9 | 0.1 | 66.9 | 66.8 | -0.1 |
| Manitoba | 585.2 | 581.3 | -0.7 | 68.3 | 67.7 | -0.6 |
| Saskatchewan | 512.6 | 515.6 | 0.6 | 67.1 | 67.5 | 0.4 |
| Alberta | 1,669.1 | 1,670.3 | 0.1 | 72.4 | 72.3 | -0.1 |
| British Columbia | 2,080.7 | 2,095.1 | 0.7 | 64.5 | 64.8 | 0.3 |
|  | Employment |  |  | Employment rate |  |  |
|  | '000 |  | \% change | \% |  | change |
| Canada | 14,862.6 | 14,904.9 | 0.3 | 61.4 | 61.5 | 0.1 |
| Newfoundland | 206.1 | 207.3 | 0.6 | 46.8 | 47.1 | 0.3 |
| Prince Edward Island | 65.7 | 65.6 | -0.2 | 60.2 | 60.0 | -0.2 |
| Nova Scotia | 423.0 | 420.3 | -0.6 | 56.7 | 56.3 | -0.4 |
| New Brunswick | 333.1 | 331.4 | -0.5 | 55.3 | 54.9 | -0.4 |
| Quebec | 3,435.1 | 3,452.5 | 0.5 | 58.0 | 58.2 | 0.2 |
| Ontario | 5,834.6 | 5,838.7 | 0.1 | 63.2 | 63.1 | -0.1 |
| Manitoba | 555.9 | 554.5 | -0.3 | 64.9 | 64.6 | -0.3 |
| Saskatchewan | 488.0 | 489.9 | 0.4 | 63.9 | 64.1 | 0.2 |
| Alberta | 1,583.6 | 1,591.1 | 0.5 | 68.7 | 68.9 | 0.2 |
| British Columbia | 1,937.5 | 1,953.6 | 0.8 | 60.0 | 60.4 | 0.4 |
|  | Unemployment |  |  | Unemployment rate |  |  |
|  | '000 |  | \% change | \% |  | change |
| Canada | 1,079.3 | 1,056.6 | -2.1 | 6.8 | 6.6 | -0.2 |
| Newfoundland | 41.5 | 39.7 | -4.3 |  | 16.1 | -0.7 |
| Prince Edward Island | 8.6 | 7.7 | -10.5 | 11.6 | 10.5 | -1.1 |
| Nova Scotia | 39.0 | 37.5 | -3.8 | 8.4 | 8.2 | -0.2 |
| New Brunswick | 39.1 | 37.8 | -3.3 | 10.5 | 10.2 | -0.3 |
| Quebec | 330.0 | 322.5 | -2.3 | 8.8 | 8.5 | -0.3 |
| Ontario | 338.4 | 338.2 | -0.1 | 5.5 | 5.5 | 0.0 |
| Manitoba | 29.3 | 26.8 | -8.5 | 5.0 | 4.6 | -0.4 |
| Saskatchewan | 24.6 | 25.7 | 4.5 | 4.8 | 5.0 | 0.2 |
| Alberta | 85.5 | 79.2 | -7.4 | 5.1 | 4.7 | -0.4 |
| British Columbia | 143.2 | 141.5 | -1.2 | 6.9 | 6.8 | -0.1 |

Labour force characteristics for both sexes, aged 15 and over

|  | $\begin{array}{r} \text { May } \\ 1999 \end{array}$ | $\begin{array}{r} \text { May } \\ 2000 \end{array}$ | $\begin{array}{r} \text { May } \\ 1999 \\ \text { to } \\ \text { May } \\ 2000 \\ \hline \end{array}$ | $\begin{array}{r} \text { May } \\ 1999 \end{array}$ | $\begin{array}{r} \text { May } \\ 2000 \end{array}$ | $\begin{array}{r} \text { May } \\ 1999 \\ \text { to } \\ \text { May } \\ 2000 \\ \hline \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | unadjusted |  |  |  |  |  |
|  | Labour force |  |  | Participation rate |  |  |
|  | '000 |  | \% change | \% |  | change |
| Canada | 15,863.8 | 16,107.3 | 1.5 | 66.3 | 66.4 | 0.1 |
| Newfoundland | 256.3 | 250.7 | -2.2 | 58.5 | 57.0 | -1.5 |
| Prince Edward Island | 73.4 | 75.7 | 3.1 | 68.2 | 69.3 | 1.1 |
| Nova Scotia | 459.8 | 464.7 | 1.1 | 62.2 | 62.2 | 0.0 |
| New Brunswick | 373.6 | 377.9 | 1.2 | 62.4 | 62.7 | 0.3 |
| Quebec | 3,704.6 | 3,791.4 | 2.3 | 62.9 | 63.9 | 1.0 |
| Ontario | 6,156.8 | 6,245.7 | 1.4 | 67.7 | 67.5 | -0.2 |
| Manitoba | 578.1 | 585.9 | 1.3 | 67.9 | 68.3 | 0.4 |
| Saskatchewan | 518.5 | 523.4 | 0.9 | 68.0 | 68.5 | 0.5 |
| Alberta | 1,665.5 | 1,685.5 | 1.2 | 73.5 | 73.0 | -0.5 |
| British Columbia | 2,077.3 | 2,106.4 | 1.4 | 65.2 | 65.2 | 0.0 |
|  | Employment |  |  | Employment rate |  |  |
|  | '000 |  | \% change | \% |  | change |
| Canada | 14,583.7 | 15,016.7 | 3.0 | 61.0 | 61.9 | 0.9 |
| Newfoundland | 205.8 | 205.7 | 0.0 | 47.0 | 46.8 | -0.2 |
| Prince Edward Island | 63.5 | 68.8 | 8.3 | 59.0 | 62.9 | 3.9 |
| Nova Scotia | 412.2 | 424.3 | 2.9 | 55.7 | 56.8 | 1.1 |
| New Brunswick | 332.7 | 335.8 | 0.9 | 55.6 | 55.7 | 0.1 |
| Quebec | 3,360.2 | 3,473.3 | 3.4 | 57.1 | 58.6 | 1.5 |
| Ontario | 5,719.9 | 5,887.0 | 2.9 | 62.9 | 63.6 | 0.7 |
| Manitoba | 548.4 | 560.6 | 2.2 | 64.4 | 65.3 | 0.9 |
| Saskatchewan | 481.5 | 496.1 | 3.0 | 63.1 | 65.0 | 1.9 |
| AlbertaBritish Columbia | $1,557.1$ | $1,603.6$ | 3.0 | 68.7 | 69.4 | 0.7 |
|  | 1,902.4 | 1,961.6 | 3.1 | 59.7 | 60.7 | 1.0 |
|  | Unemployment |  |  | Unemployment rate |  |  |
|  | '000 |  | \% change | \% |  | change |
| Canada | 1,280.2 | 1,090.6 | -14.8 | 8.1 | 6.8 | -1.3 |
| Newfoundland | 50.5 | 45.1 | -10.7 | 19.7 | 18.0 | -1.7 |
| Prince Edward Island | 9.8 | 6.9 | -29.6 | 13.4 | 9.1 | -4.3 |
| Nova Scotia | 47.6 | 40.4 | -15.1 | 10.4 | 8.7 | -1.7 |
| New Brunswick | 40.9 | 42.1 | 2.9 | 10.9 | 11.1 | 0.2 |
| Quebec | 344.3 | 318.1 | -7.6 | 9.3 | 8.4 | -0.9 |
| Ontario | 436.9 | 358.7 | -17.9 | 7.1 | 5.7 | -1.4 |
| Manitoba | 29.7 | 25.3 | -14.8 | 5.1 | 4.3 | -0.8 |
| Saskatchewan | 37.0 | 27.3 | -26.2 | 7.1 | 5.2 | -1.9 |
| Alberta | 108.4 | 82.0 | -24.4 | 6.5 | 4.9 | -1.6 |
| British Columbia | 174.9 | 144.8 | -17.2 | 8.4 | 6.9 | -1.5 |

Employment by industry (based on NAICS) and class of worker for both sexes, aged 15 and over

|  | $\begin{aligned} & \text { April } \\ & 2000 \end{aligned}$ | $\begin{array}{r} \text { May } \\ 2000 \end{array}$ | $\begin{array}{r} \text { April } \\ \text { to } \\ \text { May } \\ 2000 \end{array}$ | $\begin{array}{r} \text { May } \\ 1999 \\ \text { to } \\ \text { May } \\ 2000 \\ \hline \end{array}$ | $\begin{array}{r} \text { April } \\ \text { to } \\ \text { May } \\ 2000 \end{array}$ | $\begin{array}{r} \text { May } \\ 1999 \\ \text { to } \\ \text { May } \\ 2000 \\ \hline \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | adjusted |  |  |  |
|  |  |  |  |  |  |  |
| All industries | 14,862.6 | 14,904.9 | 42.3 | 412.6 | 0.3 | 2.8 |
| Goods-producing sector | 3,892.1 | 3,906.2 | 14.1 | 134.5 | 0.4 | 3.6 |
| Agriculture | 385.7 | 386.8 | 1.1 | -26.1 | 0.3 | -6.3 |
| Forestry, fishing, mining, oil and gas | 284.6 | 290.3 | 5.7 | 25.8 | 2.0 | 9.8 |
| Utilities | 115.0 | 117.0 | 2.0 | 0.2 | 1.7 | 0.2 |
| Construction | 820.5 | 818.5 | -2.0 | 43.6 | -0.2 | 5.6 |
| Manufacturing | 2,286.3 | 2,293.5 | 7.2 | 90.9 | 0.3 | 4.1 |
| Services-producing sector | 10,970.4 | 10,998.6 | 28.2 | 277.9 | 0.3 | 2.6 |
| Trade | 2,294.1 | 2,308.0 | 13.9 | 68.1 | 0.6 | 3.0 |
| Transportation and warehousing | 784.9 | 790.7 | 5.8 | 50.4 | 0.7 | 6.8 |
| Finance, insurance, real estate and leasing | 860.4 | 853.8 | -6.6 | -9.4 | -0.8 | -1.1 |
| Professional, scientific and technical services | 916.2 | 935.2 | 19.0 | 38.7 | 2.1 | 4.3 |
| Management, administrative and other support | 538.9 | 532.6 | -6.3 | 18.7 | -1.2 | 3.6 |
| Educational services | 982.4 | 966.4 | -16.0 | -11.6 | -1.6 | -1.2 |
| Health care and social assistance | 1,528.9 | 1,547.4 | 18.5 | 110.0 | 1.2 | 7.7 |
| Information, culture and recreation | 637.3 | 659.2 | 21.9 | 35.4 | 3.4 | 5.7 |
| Accommodation and food services | 967.0 | 974.0 | 7.0 | 54.8 | 0.7 | 6.0 |
| Other services | 682.9 | 678.9 | -4.0 | -51.3 | -0.6 | -7.0 |
| Public administration | 777.7 | 752.3 | -25.4 | -26.1 | -3.3 | -3.4 |
| Class of worker |  |  |  |  |  |  |
| Public sector employees | 2,778.6 | 2,758.0 | -20.6 | 61.1 | -0.7 | 2.3 |
| Private sector | 12,084.0 | 12,146.8 | 62.8 | 351.4 | 0.5 | 3.0 |
| Private employees | 9,675.9 | 9,708.3 | 32.4 | 395.3 | 0.3 | 4.2 |
| Self-employed | 2,408.1 | 2,438.5 | 30.4 | -43.9 | 1.3 | -1.8 |

Employment by type of work, age and sex

|  | $\begin{array}{r} \text { May } \\ 2000 \end{array}$ | $\begin{array}{r} \text { April } \\ \text { to } \\ \text { May } \\ 2000 \end{array}$ | $\begin{array}{r} \text { May } \\ 1999 \\ \text { to } \\ \text { May } \\ 2000 \\ \hline \end{array}$ | $\begin{array}{r} \text { May } \\ 2000 \end{array}$ | $\begin{array}{r} \text { April } \\ \text { to } \\ \text { May } \\ 2000 \end{array}$ | $\begin{array}{r} \text { May } \\ 1999 \\ \text { to } \\ \text { May } \\ 2000 \\ \hline \end{array}$ | $\begin{array}{r} \text { May } \\ 2000 \end{array}$ | $\begin{array}{r} \text { April } \\ \text { to } \\ \text { May } \\ 2000 \end{array}$ | $\begin{array}{r} \text { May } \\ 1999 \\ \text { to } \\ \text { May } \\ 2000 \\ \hline \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | seasonally adjusted |  |  |  |  |  |  |  |  |
|  | Both sexes |  |  | Men |  |  | Women |  |  |
|  | '000 |  |  |  |  |  |  |  |  |
| Employment | 14,904.9 | 42.3 | 412.6 | 8,053.6 | 6.4 | 204.5 | 6,851.3 | 35.9 | 208.1 |
| Full-time | 12,199.3 | 38.4 | 368.5 | 7,224.9 | 17.2 | 184.6 | 4,974.4 | 21.2 | 183.9 |
| Part-time | 2,705.5 | 3.8 | 44.0 | 828.7 | -10.8 | 19.9 | 1,876.8 | 14.6 | 24.1 |
| 15-24 | 2,285.0 | 12.6 | 91.4 | 1,174.9 | -13.1 | 46.4 | 1,110.2 | 25.8 | 45.1 |
| $25+$ | 12,619.8 | 29.6 | 321.1 | 6,878.7 | 19.5 | 158.1 | 5,741.1 | 10.1 | 163.1 |
| 25-54 | 11,063.5 | 24.5 | 228.6 | 5,935.0 | 10.9 | 101.9 | 5,128.5 | 13.6 | 126.7 |
| 55+ | 1,556.3 | 5.1 | 92.5 | 943.7 | 8.5 | 56.2 | 612.6 | -3.4 | 36.4 |

## Quarterly financial statistics for enterprises

First quarter 2000 (preliminary)

Canadian corporations continued to reap the benefits of the economic expansion of the past year and a half. Operating profits surged to a record $\$ 53.3$ billion in the first quarter, up 12.3\% from the fourth quarter of 1999.

Corporate profits have now increased for six straight quarters, for an accumulated gain of $56.4 \%$ since the third quarter of 1998.

Advances were widespread across most sectors. Non-financial corporations earned $9.2 \%$ more in operating profits, with notable gains in manufacturing and mineral fuels. The financial sector registered a $20.1 \%$ jump in first-quarter profits, with funds and other financial vehicles leading the way.


## Manufacturing profits expanding

Manufacturers turned out $\$ 14.2$ billion in operating profits in the first quarter, an $11.0 \%$ jump from fourth-quarter levels.

Wood and paper producers boosted operating profits $45.9 \%$ to $\$ 2.2$ billion in the quarter. Robust domestic and U.S. housing markets have kept upward pressure on lumber demand and prices. In the first quarter, the domestic residential sector recorded the highest number of building permits issued in a decade. Pulp producers reported higher profits on steady demand and strengthening prices. However, newsprint markets remained weak, reflecting sluggish domestic and export demand. Newsprint prices were down 11.2\% from the first quarter of 1999.

## Note to readers

The quarterly financial statistics for enterprises for 1988 through 1999 have now been revised. The survey has undergone significant methodological changes over the past year, including conversion to the North American Industry Classification System (NAICS Canada 1997), that were not completed until this release.

These quarterly financial statistics cover the domestic activities of non-government corporations.

Manufacturers of electronics and computers saw profits jump $14.4 \%$ to $\$ 1.4$ billion in the first quarter of 2000 from the final quarter of 1999. Domestic and foreign demand for telecommunications and other high-tech equipment has been strong, lifting operating revenue $14.3 \%$ to a record $\$ 10.1$ billion in the first quarter. Exports of telecommunications equipment continued to expand; Internet infrastructure equipment was a major contributor.

Operating profits in the chemicals, plastics and rubber manufacturing industry climbed $23.1 \%$ from the previous quarter to $\$ 1.7$ billion. Revenue and profits have steadily expanded over the past year as market conditions improved. Plastics and rubber are used extensively in construction as well as in motor vehicles and other manufacturing industries, where demand has been thriving.

Operating profits of petroleum and coal products manufacturers increased $1.3 \%$ to $\$ 1.1$ billion. Skyrocketing world crude oil prices have elevated prices for refined petroleum products, boosting first-quarter operating revenue $16.0 \%$ to an all-time high of $\$ 11.7$ billion.

## Crude oil price drives up mineral fuels profits

Rising crude oil prices lifted profits in the mineral fuels industry to $\$ 3.4$ billion in the first quarter, $37.8 \%$ above fourth-quarter levels and four times the profits earned in the first quarter of last year. (The robust crude oil prices were ignited earlier in 1999 by an agreement of the Organization of Petroleum Exporting Countries to tighten production quotas). Operating revenue reached $\$ 15.9$ billion in the first quarter, a $16.4 \%$ increase from the fourth quarter of 1999 and an 81.4\% leap from the first quarter of 1999. Many oil producers would have reported even higher profits, but hedging losses curtailed first quarter results. Hedging losses arise when forward contracts set the crude oil selling price below the eventual market price.

Natural gas producers enjoyed healthy export demand and higher prices, buoyed by the expansion of pipeline facilities into the United States.

## Wholesale profits up while retail little changed

Wholesalers' operating profits rose 6.3\% to $\$ 3.2$ billion in the first quarter. Companies classified as other wholesale showed the strongest gain; however, wholesalers of machinery posted a significant profit slide. Overall, wholesale profits have now risen for six consecutive quarters.

Profits in the retail sector slipped 1.7\%, but operating revenue remained essentially unchanged from record high fourth quarter levels.

## Profits much improved in financial sector

The financial industries reported a substantial $20.1 \%$ increase in first quarter operating profits.

Funds and other financial vehicles (excluding pension funds) reported significantly higher gains on sales of securities and other assets, which boosted operating profits by $30.8 \%$ over the fourth quarter of 1999.

Insurance companies enjoyed a 37.9\% profit increase to $\$ 1.2$ billion. Life insurers benefited from higher premiums and lower actuarial provisions, while property and casualty insurers gained from lower insurance claims in the first quarter.

The depository credit intermediaries (including chartered banks, trust companies and credit unions) posted a $0.7 \%$ rise in operating profits. Despite the moderate growth, first quarter profits remained at historically high levels, $5.8 \%$ above those earned in the first quarter of 1999.

## Profit margin up sharply for all industries

The all-industries operating profit margin advanced for the sixth straight quarter, rising to $10.5 \%$ in the first quarter of 2000 from $9.6 \%$ in the fourth quarter and $8.4 \%$ in the first quarter of 1999. This was the largest quarter-to-quarter improvement in this profitability indicator since the third quarter of 1997.

The annualized return on shareholders' equity slipped to $9.0 \%$ from $9.4 \%$ in the previous quarter, but remained well ahead of the 6.2\% returns earned in the first quarter of 1999. Despite the improved operating profits, after-tax profits (the profit measure used in the return on equity calculation) declined $4.5 \%$ from the previous quarter due to significant capital losses, particularily in the financial sector.

Financial statistics for enterprises

|  | First quarter $1999^{r}$ | Fourth quarter 1999 | First quarter $2000^{p}$ | Fourth quarter to first quarter 2000 |
| :---: | :---: | :---: | :---: | :---: |
|  | seasonally adjusted |  |  |  |
|  | \$ billions |  |  | \% change |
| All industries |  |  |  |  |
| Operating revenue | 460.2 | 494.9 | 506.0 | 2.2 |
| Operating profit | 38.8 | 47.4 | 53.3 | 12.3 |
| After-tax profit | 20.9 | 33.0 | 31.5 | -4.5 |
| Non-financial |  |  |  |  |
| Operating revenue | 407.8 | 437.5 | 445.4 | 1.8 |
| Operating profit | 27.7 | 33.8 | 36.9 | 9.2 |
| After-tax profit | 15.7 | 20.4 | 22.0 | 7.6 |
| Financial |  |  |  |  |
| Operating revenue | 52.4 | 57.4 | 60.6 | 5.6 |
| Operating profit | 11.1 | 13.6 | 16.4 | 20.1 |
| After-tax profit | 5.2 | 12.6 | 9.5 | -24.1 |

Revised figures.
$p$ Preliminary figures.

## Available on CANSIM: matrices 8330-8383.

For data or general information, contact Jeannine D'Angelo (613-951-2604). For more information, or to enquire about the concepts, methods or data quality of this release, contact Bill Potter (613-951-2662) or Jean-Pierre Simard (613-951-0741), Industrial Organization and Finance Division.

## OTHER RELEASES

## New Housing Price Index

April 2000
The New Housing Price Index, an index of contractors' selling prices of new houses, was up $0.2 \%$ in April compared with March, and up 2.1\% from April 1999.

On a monthly basis, increases were seen in 12 of the 21 urban centres surveyed. The largest increase was in Halifax ( $+1.4 \%$ ), where higher prices for building materials, labour and land were passed on to new home buyers. Notable increases were also observed in Hamilton (+0.5\%) and Montréal ( $+0.4 \%$ ), mostly a result of higher labour and materials prices.

Calgary registered a marginal decrease ( $-0.1 \%$ ), and eight of the urban centres showed no change from March to April.

## New Housing Price Index

(1992=100)

|  | $\begin{aligned} & \text { April } \\ & 2000 \end{aligned}$ | $\begin{array}{r} \hline \text { April } \\ 1999 \\ \text { to } \\ \text { April } \\ 2000 \\ \hline \end{array}$ | $\begin{array}{r} \hline \text { March } \\ \text { to } \\ \text { April } \\ 2000 \end{array}$ |
| :---: | :---: | :---: | :---: |
|  | \% change |  |  |
| Canada total | 102.7 | 2.1 | 0.2 |
| House only Land only | $\begin{aligned} & 104.4 \\ & 10.4 \end{aligned}$ | $\begin{aligned} & 3.1 \\ & 0.4 \end{aligned}$ | 0.2 |
| St.John's | 97.5 | 1.2 | - |
| Halifax | 115.3 | 4.7 | 1.4 |
| Charlottetown | 105.2 | 2.0 | - |
| Saint John-MonctonFredericton | 94.3 | 0.7 | 0.2 |
| Québec | 102.3 | 1.9 | - |
| Montréal | 107.3 | 3.3 | 0.4 |
| Ottawa-Hull | 103.6 | 4.6 | 0.2 |
| Toronto | 106.3 | 2.8 | 0.2 |
| Hamilton | 105.9 | 3.4 | 0.5 |
| St. Catharines-Niagara | 106.5 | 5.3 | 0.3 |
| Kitchener-Waterloo | 105.3 | 4.1 | 0.3 |
| London | 100.9 | 2.7 | 0.1 |
| Windsor | 106.5 | 0.7 | - |
| Sudbury-Thunder Bay | 98.7 | -1.1 | 0.1 |
| Winnipeg | 116.0 | 3.0 | - |
| Regina | 131.5 | 3.2 | 0.2 |
| Saskatoon | 115.9 | 1.5 |  |
| Calgary | 131.4 | 2.4 | -0.1 |
| Edmonton | 111.6 | 2.6 | - |
| Vancouver | 83.5 | -1.2 | 0.1 |
| Victoria | 72.2 | -5.2 | - |

- Nil or zero.

Annual increases were noted in 18 of the 21 urban centres. St. Catharines-Niagara registered the highest increase ( $+5.3 \%$ ), followed by Halifax ( $+4.7 \%$ ), Ottawa-Hull ( $+4.6 \%$ ) and Kitchener-Waterloo ( $+4.1 \%$ ). Notable increases were also observed in Hamilton, Montréal, Regina and Winnipeg. Three urban centres
registered decreases on a year-over-year basis; the largest drop was in Victoria (-5.2\%).

## Available on CANSIM: matrix 9921.

The second quarter 2000 issue of Construction price statistics ( $62-007-\mathrm{XPB}, \$ 24 / \$ 79$ ) will be available in September. See How to order publications.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Denise Potvin (613-951-3350; fax: 613-951-1539; infounit@statcan.ca), Prices Division.

## Railway carloadings

Seven-day period ending May 14, 2000
Non-intermodal traffic loaded during the seven-day period ending May 14 was 4.7 million tonnes, $1.0 \%$ more than in the same period of 1999. The number of cars loaded rose $2.8 \%$.

Intermodal traffic tonnage totalled 424000 tonnes, a $9.3 \%$ advance from the same period of last year. The year-to-date figures show an increase of 16.5\%.

Total traffic rose 1.6 \% during the period. This brought the year-to-date total to 101.2 million tonnes, an increase of $8.5 \%$ from the previous year.

All year-to-date figures have been revised.
For more information, or to enquire about the concepts, methods or data quality of this release, contact Robert Larocque (613-951-2486; fax: 613-951-0009; laroque@statcan.ca), Transportation Division.

## Steel pipe and tubing

April 2000
Steel pipe and tubing production totalled 224508 tonnes in April, a $16.4 \%$ increase from 192804 tonnes in April 1999.

Year-to-date production to the end of April totalled 965339 tonnes, up $17.3 \%$ from 823305 tonnes during the same period in 1999.

## Available on CANSIM: matrix 35.

For more information or to enquire about the concepts, methods or data quality of this release, contact Greg Milsom (613-951-7093; milsomg@statcan.ca), Manufacturing, Construction and Energy Division.

## Inter-corporate ownership 2000

The structure of the Canadian corporate sector is constantly shifting. Stock splits, mergers and takeovers are regular occurrences affecting the concentration of corporate assets and the degree of foreign control.

The Inter-corporate ownership directory is the most authoritative and comprehensive source of information available on corporate ownership. It tracks the ownership of the largest Canadian corporations and provides up-to-date information reflecting recent corporate takeovers and other substantial changes. Ultimate corporate control is determined through a careful study of holdings by corporations, the effects of options, insider holdings, convertible shares and interlocking directorships. The information that is presented is based on non-confidential returns filed by Canadian corporations under the Corporations Returns Act.

The Inter-corporate ownership directory, which now lists more than 95,000 corporations, is a unique directory of "who owns what" in Canada. The data are presented in an easy-to-read tiered format, illustrating
at a glance the hierarchy of subsidiaries within each corporate structure. The entries for each corporation provide both the country of control and the country of residence. As well, the inclusion of the Standard Industrial Classification code enables study by industrial sector.

According to the Inter-corporate ownership directory, over 13,000 corporations residing in Canada are controlled by foreign interests: of those, American interests control more than 6,900 corporations, British interests more than 1,100, German interests more than 910, Japanese interests more than 580 and French interests more than 530.

The 2000 Inter-corporate ownership directory (61-517-XPB, \$350), produced biennially, is now available. A Windows-based version of the directory, updated quarterly, is available on CD-ROM (61-517-XCB, \$350/\$995). See How to order publications.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Jeannine D'Angelo (613-951-2604) or Martin Brière (613-951-0519), Industrial Organization and Finance Division.

## PUBLICATIONS RELEASED

Infomat - A weekly review, June 9, 2000
Catalogue number 11-002-XIE ( $\$ 3 / \$ 109$ ).
Infomat - A weekly review, June 9, 2000
Catalogue number 11-002-XPE (\$4/\$145).
Farm cash receipts, January-March 2000
Catalogue number 21-001-XIB (\$15/\$48).
Supply and disposition of crude oil and natural gas, February 2000
Catalogue number 26-006-XPB (\$19/\$186).
Production and shipments of steel pipe and tubing,
April 2000
Catalogue number 41-011-XIB (\$5/\$47).

Inter-corporate ownership, 2000
Catalogue number 61-517-XPB (\$350).

Average fair market value/purchase price for new homes in Canada - Data from GST administrative records, 1993-1998
Catalogue number 64-507-XIE (\$26).
All prices are in Canadian dollars and exclude sales tax. Additional shipping charges apply for delivery outside Canada.

Catalogue numbers with an -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; and -XPB or -XPE denote a paper version.

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## RELEASE DATES: JUNE 12 TO JUNE 16

June 12 to June 16
(Release dates are subject to change.)

| Release date | Title | Reference <br> period |
| :--- | :--- | :--- |
| 12 | Family income | 1998 |
| 13 | Canadian social trends | Summer 2000 |
| 14 | New motor vehicle sales | April 2000 |
| 15 | Monthly Survey of Manufacturing | April 2000 |
| 16 | Consumer Price Index | May 2000 |

